GOVERNMENT OF INDIA
TOURISM
LOK SABHA

STARRED QUESTION NO:69
ANSWERED ON:19.02.2009
DECLINE IN ARRIVAL OF FOREIGN TOURISTS
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Will the Minister of TOURISM be pleased to state:

(a) whether the tourists inflow in the country has declined in the wake of Mumbai terror attacks;

(b) if so, the percentage decrease of tourist inflow after the said incident as compared to the corresponding period in the previous year;

(c) whether the Government proposes to provide special packages for the tourism industry of the country;

(d) if so, the details in this regard; and

(e) the remedial steps taken by the Government to boost arrival of tourists in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TOURISM AND CULTURE (SMT. AMBIKA SONI)

(a) to (e): A Statement is laid on the Table of the Sabha.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO.69 ANSWERED ON 19.02.2009 REGARDING DECLINE IN ARRIVAL OF FOREIGN TOURISTS

(a) and (b): The Foreign Tourist Arrivals (FTAs) in India during November 2008,December 2008 and January 2009, provisionally estimated at about 0.52 million,0.52 million and 0.49 million respectively, have declined by 2.1%, 12.5% and 17.6% respectively as compared to the FTAs of about 0.53 million, 0.60 million and 0.59 million in the corresponding months of the previous year.

The decline in FTAs in recent months may be due to various reasons including global financial meltdown and terrorist activities.

(c), (d) and (e): To minimize the negative impact of global financial meltdown and recent terrorist attacks in the country on the tourism sector and to boost the arrival of tourists in the country,the Government has taken the following steps:-

All States have been requested to beef up security measures in hotels and at tourist sites in their respective States;

Indiatourism offices overseas are in regular contact with the international media and travel trade to keep them updated on the ground situation in the country.

Familiarsation Tours for trade and media representatives to Mumbai and other regions of the country have been specially organized to project the ground realities relating to safety/ security conditions in the country.Trade/ Media representatives from USA,UK,Ireland, France, Germany, Austria, Netherlands, Argentina, Mexico, South Africa Japan, Malaysia and Singapore have visited India during the months of December 2008 and January 2009 as a result of this initiative.

Financial support being provided to approved service providers for undertaking promotional activities overseas under the Market Development Assistance (MDA) Scheme has been enhanced.Participation in three Trade Fairs / Exhibitions per year will now be permitted under the scheme,instead of two as per the earlier guidelines.The eligibility limit under the Scheme in terms of Foreign Exchange Earnings has also been increased from Rs. 10 Crore to Rs.20 Crore.

With a view to promoting Meetings, Incentives, Conventions and Exhibitions (MICE) Tourism,the scope of the MDA Scheme has been enhanced, so as to include active members of the India Convention Promotion Bureau (ICPB).Financial support under the scheme would be provided to 'Active Members' of ICPB who in turn would release the same to Indian Association/Societies after bidding for International Conventions/Conferences, provided they win the bid or stand at second or third positions among the bidders.

The scope of MDA scheme has been extended to cover domestic tour operators,travel agents,etc. to motivate them to include tour packages to various destinations in the country in their marketing programmes for domestic tourists.

Enhanced subsidy of 25% in participation fee is being offered by the Ministry of Tourism and the Indiatourism offices overseas in the India Pavilions set up at the major International Travel Fairs and Exhibitions till the end of the financial year 2009-10.

A "Visit India 2009" Scheme has been announced, in collaboration with all stakeholders including airlines,hotels, tour operators, State Governments for incentivising travel to India during the period April to December 2009.

Permission has been given to corporates in the hotel sector to avail of External Commercial Borrowings (ECB) upto US$ 100 million per year for foreign currency and/ or rupee capital expenditure for permissible end users.

In addition to the above specific measures initiated recently, the other steps taken by the Government to promote tourism in the country include:

Development of tourism infrastructure at tourist sites with the cooperation of other Ministries/ Departments and State/ UT Governments;

Focusing on growth of hotel infrastructure,particularly that for budget hotels;

Enhancing connectivity through augmentation of air capacity and improving road infrastructure to major tourist attractions;

Direct approach to the consumers through electronic and print media through the "Incredible India" Campaign; and

According greater focus to the emerging markets, particularly of China, North East Asia and South East Asia.